

CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2008

	August-08					July-08					Current FYTD		Prior Year FY08		3 Years Ended 6/30/2008		5 Years Ended 6/30/2008	
	Market Value	Allocation		Returns-Month		Market Value	Allocation		Returns-Month		Returns		Returns		Gross	Net	Gross	Net
		Actual	Policy(1)	Gross	Net		Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net				
LARGE CAP DOMESTIC EQUITY																		
<i>Structured Growth</i>																		
Los Angeles Capital	20,696,432	1.6%	1.5%	-0.54%	-0.56%	20,809,262	1.6%	1.5%	-1.16%	-1.18%	-1.69%	-1.73%	-7.57%	-7.79%	7.92%	7.68%	N/A	N/A
Total Structured Growth	20,696,432	1.6%	1.5%	-0.54%	-0.56%	20,809,262	1.6%	1.5%	-1.16%	-1.18%	-1.69%	-1.73%	-7.57%	-7.79%	7.92%	7.68%	9.81%	9.56%
<i>Russell 1000 Growth</i>				1.08%	1.08%				-1.90%	-1.90%	-0.84%	-0.84%	-5.96%	-5.96%	5.91%	5.91%	7.32%	7.32%
<i>Structured Value</i>																		
LSV	18,807,959	1.4%	1.5%	1.65%	1.61%	18,501,984	1.4%	1.5%	-0.54%	-0.58%	1.10%	1.02%	-21.06%	-21.43%	4.24%	3.81%	12.00%	11.57%
<i>Russell 1000 Value</i>				1.70%	1.70%				-0.36%	-0.36%	1.33%	1.33%	-18.78%	-18.78%	3.53%	3.53%	8.92%	8.92%
<i>Russell 1000 Enhanced Index</i>																		
Los Angeles Capital	40,556,247	3.1%	3.0%	0.78%	0.76%	40,243,011	3.0%	3.0%	-2.03%	-2.05%	-1.27%	-1.30%	-9.34%	-9.54%	7.20%	6.97%	N/A	N/A
<i>Russell 1000</i>				1.38%	1.38%				-1.16%	-1.16%	0.20%	0.20%	-12.36%	-12.36%	4.81%	4.81%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																		
Westridge	41,988,339	3.2%	3.0%	1.62%	1.58%	41,332,657	3.1%	3.0%	-0.69%	-0.73%	0.92%	0.85%	-11.80%	-12.18%	5.33%	4.98%	N/A	N/A
<i>S&P 500</i>				1.45%	1.45%				-0.84%	-0.84%	0.59%	0.59%	-13.12%	-13.12%	4.41%	4.41%	N/A	N/A
<i>130/30</i>																		
State Street	13,486,655			0.33%	0.31%	13,441,783			-1.14%	-1.16%	-0.81%	-0.85%	-18.05%	-18.24%	3.31%	2.93%	6.91%	6.64%
Total 130/30	13,486,655	1.0%	1.0%	0.33%	0.31%	13,441,783	1.0%	1.0%	-1.14%	-1.16%	-0.81%	-0.85%	-18.05%	-18.24%	3.31%	2.93%	6.91%	6.64%
<i>S&P 500</i>				1.45%	1.45%				-0.84%	-0.84%	0.59%	0.59%	-13.12%	-13.12%	4.41%	4.41%	7.59%	7.59%
TOTAL LARGE CAP DOMESTIC EQUITY	135,535,632	10.2%	10.1%	0.91%	0.88%	134,328,697	10.1%	10.1%	-1.19%	-1.22%	-0.29%	-0.35%	-12.42%	-12.71%	6.00%	5.68%	9.60%	9.31%
<i>S&P 500</i>				1.45%	1.45%				-0.84%	-0.84%	0.59%	0.59%	-13.12%	-13.12%	4.41%	4.41%	7.59%	7.59%
SMALL CAP DOMESTIC EQUITY																		
<i>Manager-of-Managers</i>																		
SEI	22,425,799	1.7%	1.7%	2.49%	2.40%	21,907,642	1.7%	1.7%	1.08%	0.99%	3.60%	3.41%	-20.05%	-20.93%	2.95%	2.06%	9.98%	9.10%
<i>Russell 2000 + 200bp</i>				3.78%	3.78%				3.87%	3.87%	7.79%	7.79%	-14.48%	-14.48%	5.88%	5.88%	12.50%	12.50%
<i>Enhanced</i>																		
Research Affiliates	23,808,155	1.8%	1.7%	3.64%	3.55%	22,988,782	1.7%	1.7%	3.07%	2.98%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000</i>				3.61%	3.61%				3.70%	3.70%	7.45%	7.45%	-16.19%	-16.19%				
TOTAL SMALL CAP DOMESTIC EQUITY	46,233,954	3.5%	3.4%	3.08%	2.99%	44,896,424	3.4%	3.4%	2.06%	1.97%	5.21%	5.02%	-20.26%	-21.14%	2.86%	1.97%	9.92%	9.04%
<i>Russell 2000</i>				3.61%	3.61%				3.70%	3.70%	7.45%	7.45%	-16.19%	-16.19%	3.79%	3.79%	10.29%	10.29%
INTERNATIONAL EQUITY																		
<i>Large Cap - Active</i>																		
Capital Guardian	36,298,110	2.7%	3.0%	-3.78%	-3.83%	37,699,278	2.8%	3.0%	-3.95%	-4.00%	-7.58%	-7.68%	-11.80%	-12.37%	12.88%	12.24%	14.97%	14.35%
LSV	36,560,964	2.8%	3.0%	-1.02%	-1.07%	36,931,444	2.8%	3.0%	-2.45%	-2.50%	-3.45%	-3.55%	-25.29%	-25.78%	7.92%	7.37%	N/A	N/A
Total Large Cap - Active	72,859,074	5.5%	6.1%	-2.41%	-2.47%	74,630,722	5.6%	6.1%	-3.21%	-3.27%	-5.55%	-5.66%	-18.75%	-19.29%	10.42%	9.83%	14.05%	13.46%
<i>MSCI EAFE - 50% Hedged</i>				-1.59%	-1.59%				-2.64%	-2.64%	-4.19%	-4.19%	-15.14%	-15.14%	10.93%	10.93%	14.67%	14.67%
<i>Small Cap - Value</i>																		
DFA	8,486,540	0.6%	0.8%	-3.17%	-3.22%	8,768,902	0.7%	0.8%	-4.39%	-4.44%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Small Cap Value	8,486,540	0.6%	0.8%	-3.17%	-3.22%	8,768,902	0.7%	0.8%	-4.39%	-4.44%	-7.43%	-7.52%	-12.11%	-12.74%	10.13%	9.30%	18.15%	17.27%
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				-5.40%	-5.40%				-4.30%	-4.30%	-9.47%	-9.47%	-25.49%	-25.49%	7.39%	7.39%	17.33%	17.33%
<i>Small Cap - Growth</i>																		
Vanguard	8,241,528	0.6%	0.8%	-3.39%	-5.82%	8,530,315	0.6%	0.8%	-5.76%	-5.82%	-8.96%	-11.30%	-17.06%	-17.52%	12.30%	11.77%	20.87%	20.18%
<i>Citigroup Broad Market Index < \$2BN</i>				-5.40%	-5.40%				-4.30%	-4.30%	-9.47%	-9.47%	-25.49%	-25.49%	7.39%	7.39%	17.33%	17.33%
TOTAL INTERNATIONAL EQUITY	89,587,142	6.7%	7.6%	-2.58%	-2.85%	91,929,939	6.9%	7.6%	-3.57%	-3.62%	-6.05%	-6.37%	-18.31%	-18.83%	10.40%	9.79%	15.19%	14.56%
<i>MSCI EAFE - 50% Hedged</i>				-1.59%	-1.59%				-2.64%	-2.64%	-4.19%	-4.19%	-15.14%	-15.14%	10.93%	10.93%	14.67%	14.67%

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	Market Value	Allocation		Returns-Month		Market Value	Allocation		Returns-Month		Returns		Returns		Gross	Net	Gross	Net
		Actual	Policy(1)	Gross	Net		Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net				
DOMESTIC FIXED INCOME																		
<i>Core Bond</i>																		
Western Asset	186,886,481	14.1%	14.9%	1.05%	1.03%	184,981,193	14.0%	14.9%	-1.76%	-1.78%	-0.73%	-0.76%	2.27%	2.06%	2.97%	2.76%	3.76%	3.55%
<i>Lehman Aggregate</i>				<i>0.95%</i>	<i>0.95%</i>				<i>-0.08%</i>	<i>-0.08%</i>	<i>0.87%</i>	<i>0.87%</i>	<i>7.12%</i>	<i>7.12%</i>	<i>4.09%</i>	<i>4.09%</i>	<i>3.86%</i>	<i>3.86%</i>
<i>Mortgage Backed</i>																		
Hyperion	35,951,192	2.7%	3.8%	-10.65%	-10.70%	40,554,266	3.1%	3.8%	-7.97%	-8.02%	-17.77%	-17.87%	-19.73%	-20.24%	N/A	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				<i>-0.46%</i>	<i>-0.46%</i>				<i>-0.06%</i>	<i>-0.06%</i>	<i>-0.52%</i>	<i>-0.52%</i>	<i>10.14%</i>	<i>10.14%</i>				
<i>Core Plus/Enhanced</i>																		
<i>Clifton Group</i>	55,168,859	4.2%	3.8%	1.22%	1.11%	54,435,207	4.1%	3.8%	0.56%	0.45%	1.79%	1.56%	11.68%	10.17%	N/A	N/A	N/A	N/A
<i>Prudential</i>	54,703,414	4.1%	3.8%	0.73%	0.71%	54,267,271	4.1%	3.8%	-0.22%	-0.24%	0.51%	0.46%	5.20%	4.89%	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	109,872,273	8.3%	7.7%	0.98%	0.91%	108,702,478	8.2%	7.7%	0.17%	0.10%	1.14%	1.01%	8.45%	7.55%	N/A	N/A	N/A	N/A
<i>Lehman Aggregate</i>				<i>0.95%</i>	<i>0.95%</i>				<i>-0.08%</i>	<i>-0.08%</i>	<i>0.87%</i>	<i>0.87%</i>	<i>7.12%</i>	<i>7.12%</i>				
<i>Index</i>																		
<i>Bank of ND</i>	96,090,578	7.2%	6.7%	1.07%	1.06%	95,064,337	7.2%	6.7%	0.08%	0.07%	1.15%	1.14%	7.75%	7.68%	3.99%	3.93%	3.34%	3.28%
Total Index	96,090,578	7.2%	6.7%	1.07%	1.06%	95,064,337	7.2%	6.7%	0.08%	0.07%	1.15%	1.14%	7.75%	7.68%	4.04%	3.97%	3.40%	3.24%
<i>Lehman Gov/Credit (2)</i>				<i>0.92%</i>	<i>0.92%</i>				<i>0.00%</i>	<i>0.00%</i>	<i>0.92%</i>	<i>0.92%</i>	<i>7.24%</i>	<i>7.24%</i>	<i>3.84%</i>	<i>3.84%</i>	<i>3.24%</i>	<i>3.24%</i>
<i>BBB Average Quality</i>																		
Wells Capital (formerly Strong)	191,023,699	14.4%	14.9%	0.85%	0.83%	189,551,823	14.3%	14.9%	-0.57%	-0.59%	0.28%	0.24%	3.76%	3.55%	3.26%	3.04%	4.08%	3.85%
<i>Lehman US Credit Baa</i>				<i>0.80%</i>	<i>0.80%</i>				<i>-0.67%</i>	<i>-0.67%</i>	<i>0.13%</i>	<i>0.13%</i>	<i>2.62%</i>	<i>2.62%</i>	<i>2.52%</i>	<i>2.52%</i>	<i>3.59%</i>	<i>3.59%</i>
TOTAL DOMESTIC FIXED INCOME	619,824,223	46.7%	48.1%	0.21%	0.19%	618,854,097	46.7%	48.1%	-1.21%	-1.24%	-1.00%	-1.06%	2.65%	2.32%	2.86%	2.64%	3.39%	3.22%
<i>Lehman Aggregate (3)</i>				<i>0.95%</i>	<i>0.95%</i>				<i>-0.08%</i>	<i>-0.08%</i>	<i>0.87%</i>	<i>0.87%</i>	<i>7.12%</i>	<i>7.12%</i>	<i>4.09%</i>	<i>4.09%</i>	<i>3.73%</i>	<i>3.73%</i>
INFLATION PROTECTED ASSETS																		
<i>Northern Trust Global Investments</i>	144,067,668	10.8%	10.0%	0.82%	0.82%	142,932,235	10.8%	10.0%	-0.45%	-0.45%	0.37%	0.37%	15.69%	15.69%	5.82%	5.79%	N/A	N/A
<i>Western</i>	141,856,456	10.7%	10.0%	1.26%	1.26%	140,275,900	10.6%	10.0%	-1.33%	-1.33%	-0.09%	-0.09%	12.38%	12.34%	4.47%	4.42%	N/A	N/A
TOTAL INFLATION PROTECTED ASSETS	285,924,124	21.5%	20.0%	1.04%	1.04%	283,208,135	21.4%	20.0%	-0.88%	-0.89%	0.14%	0.14%	14.03%	14.00%	5.14%	5.10%	N/A	N/A
<i>LB US TIPS Index</i>				<i>0.82%</i>	<i>0.82%</i>				<i>-0.51%</i>	<i>-0.51%</i>	<i>0.30%</i>	<i>0.30%</i>	<i>15.10%</i>	<i>15.10%</i>	<i>5.62%</i>	<i>5.62%</i>	<i>N/A</i>	<i>N/A</i>
REAL ESTATE																		
JP Morgan	84,217,744	6.3%	5.4%	0.00%	-0.12%	84,217,750	6.4%	5.4%	0.00%	-0.12%	0.00%	-0.23%	0.61%	-0.77%	N/A	N/A	N/A	N/A
<i>NCREIF Total Index</i>				<i>0.19%</i>	<i>0.19%</i>				<i>0.19%</i>	<i>0.19%</i>	<i>0.37%</i>	<i>0.37%</i>	<i>9.20%</i>	<i>9.20%</i>	<i>14.82%</i>	<i>14.82%</i>	<i>N/A</i>	<i>N/A</i>
CASH EQUIVALENTS																		
Bank of ND	67,073,214	5.0%	5.5%	0.17%	0.17%	68,379,776	5.2%	5.5%	0.16%	0.16%	0.33%	0.33%	3.43%	3.43%	4.10%	4.10%	3.38%	3.38%
<i>90 Day T-Bill</i>				<i>0.16%</i>	<i>0.16%</i>				<i>0.18%</i>	<i>0.18%</i>	<i>0.33%</i>	<i>0.33%</i>	<i>3.63%</i>	<i>3.63%</i>	<i>4.27%</i>	<i>4.27%</i>	<i>3.18%</i>	<i>3.18%</i>
TOTAL INSURANCE TRUST	1,328,396,033	100.0%	100.0%	0.35%	0.30%	1,325,814,818	100.0%	100.0%	-1.05%	-1.08%	-0.71%	-0.78%	0.68%	0.32%	4.96%	4.66%	6.34%	6.08%
POLICY TARGET BENCHMARK				0.78%	0.78%				-0.28%	-0.28%	0.50%	0.50%	3.94%	3.94%	5.71%	5.71%	6.47%	6.47%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy allocations.

(2) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(3) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.